



**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**FILED**

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**C2303006**

North County Communications Corporation,  
(U 5631 C),

Complainant,

v.

VAYA Telecom, Inc. (U 7122 C), and O1  
Communications, Inc. (U 6065 C),

Defendants.

Complaint No. \_\_\_\_\_  
(Filed March 12, 2023)

**COMPLAINT OF NORTH COUNTY COMMUNICATIONS  
CORPORATION (U 5631 C) AGAINST VAYA TELECOM, INC. (U 7122 C)  
AND O1 COMMUNICATIONS, INC. (U 6065 C) FOR VIOLATION OF  
INTERCONNECTION AGREEMENT, FAILURE TO PAY INTERCARRIER  
COMPENSATION, FRAUD REGARDING SPOOFING AND ROBOCALLS, AND FOR  
OTHER FURTHER RELIEF**

North County Communications Corporation (U 5631 C) (“NCC”) brings this Complaint against VAYA Telecom, Inc. (U 7122 C) (“Vaya”) and O1 Communications, Inc. (U 6065 C) (“O1”) pursuant to sections 701, 702, 1702, and 2113 of the California Public Utilities Code, Article IV of the Rules of Practice and Procedure of the Public Utilities Commission of the State of California (the “Commission”), and sections 251-252 of the Federal Telecommunications Act of 1996 (the “1996 Act”), codified at 47 U.S.C. §§ 251-252.

**I. GROUNDS FOR COMPLAINT**

1. NCC was a competitive local exchange carrier (“CLEC”) that catered to customers that received inbound calls, including voicemail, dial-up internet, and chat lines.<sup>1</sup>

<sup>1</sup> These chat lines are often referred to as adult chat lines because they were marketed to customers 18 years and older. They should not be confused with sex chat lines. The lines on NCC’s network were like a CB radio where up to 12 individuals could chat about current events, the weather, or whatever the 12

2. NCC did nothing unlawful providing chat lines.<sup>2</sup>
3. NCC had a regulatory obligation to accept incoming calls in order to preserve the ubiquity of the U.S. telephone network.
4. O1 and Vaya were CLECs who resold termination traffic to their customers by artificially inserting themselves into the call path. They added no value to the calls.
5. O1 and Vaya had no regulatory obligation to resell traffic termination.
6. By misrouting and mischaracterizing the jurisdiction of the calls, O1 and Vaya were able to sell calls to their customers below the rates the terminating carrier would have normally charged.
7. O1 and Vaya allowed their customers to alter the originating telephone number to appear to be any originating telephone number they wanted. That practice is commonly referred to as “spoofing.”
8. O1 and Vaya have the same stockholders, share offices, share equipment, and share employees. NCC has not been privy to all of the information regarding O1’s and Vaya’s operations, so there are likely additional facts that show O1 and Vaya were a single business enterprise.
9. NCC sued O1 in federal court (*North County Communications Corporation v. California Catalog & Technology, et al.*, U.S.D.C., S.D. Cal., Case No. 3:06-cv-1542) for failure to pay NCC’s termination rates. NCC and O1 settled that lawsuit and entered into a traffic exchange agreement.

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random callers wanted to talk about. It should be noted that AT&T in California, in the early ‘80s, operated their own chat lines marketed to adults.

<sup>2</sup> See *In the Matter of Connect America Fund*, CC Docket Nos. 01-92 and 96-45, Report and Order and FNPRM, FCC 11-161, 26 FCC Rcd 17663 (rel. Nov. 18, 2011) (“*2011 ICC Order*”). In fact, AT&T previously offered chat lines in California.

10. Unbeknownst to NCC, to get around the settlement agreement, the principals of O1 created a new company – Vaya – to hide from NCC that O1 was the true originator of the calls sent to NCC’s network.

11. Vaya had only one customer: O1.<sup>3</sup>

12. Vaya and O1 communications had an unsigned contract that purported to be a compensation agreement between Vaya and O1.

13. No less than three other carriers filed complaints at the Commission against Vaya for Vaya’s failure to pay those companies’ termination fees: AT&T (C.11-02-015 and C.17-09-023), XO (C.12-12-018), and Cox (C.11-09-007).

14. NCC requested that Vaya stop reselling termination services to NCC’s network. Vaya refused that request, refused to pay for termination services provided by NCC, and continued to send traffic to NCC.

15. NCC filed a complaint against Vaya in the Superior Court of California, County of San Diego: *North County Communications Corporation v. Vaya Telecom, Inc.*, Case No, 37-2011-00083845-CU-BC-CTL.

16. NCC was unable to prove its claim against Vaya because Vaya, in violation of the parties’ Commission-approved interconnection agreement, routed toll calls over local interconnection trunks. That practice made the billing records sent to NCC by AT&T (the records needed to bill Vaya for the traffic) inaccurate and incomplete. NCC could not determine the jurisdiction of the calls. This was especially the case because millions of call records included robocalls with fake originating phone numbers.

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<sup>3</sup> At one point, Vaya had another unaffiliated customer; however, after NCC obtained a writ of attachment against Vaya in a state court case, that customer magically became an O1 customer.

17. Vaya and O1 told and continue to tell contradictory stories to the courts and the Commission.

18. Vaya and O1 purposely routed intrastate and interstate toll calls over local interconnection trunks they had with AT&T so the subtending carriers would not know the proper jurisdiction of the calls and, thus, would be unable to bill them correctly because the call records that were created by Vaya had bogus information artificially inserted in them.

19. Upon information and belief, Vaya eventually reached an agreement with AT&T to stop sending these calls over local interconnection trunks; however, Vaya violated that agreement with AT&T and continued to send toll calls over the local interconnection trucks. Accordingly, NCC remained unable to bill Vaya for termination of the calls that NCC was forced to accept from Vaya.

## **II. CATEGORIZATION, PROPOSED SCHEDULE, AND DESCRIPTION OF THE PARTIES**

20. The proposed category for this complaint is adjudicatory. The key issues to be resolved are:

- a. Whether O1 and Vaya violated the parties settlement and traffic exchange agreement;
- b. The amount of money NCC should be compensated for the traffic that O1 and Vaya sent to NCC;
- c. Whether O1 and Vaya knowingly allowed their customers to spoof fake originating numbers for the purpose of robocalls;
- d. Whether O1 and Vaya should be considered the originator of those robocalls;

- e. Whether O1 and Vaya knowingly allowed their customers to alter/spoof the originating numbers to hide the true jurisdiction of the calls;
- f. Whether O1 and Vaya knowingly allowed their customers to alter/spoof the originating telephone number to get around the ability of end users to block robocalls;
- g. Whether O1 and Vaya deprived all carriers interconnected to AT&T's tandem of just and reasonable compensation; and
- h. Whether O1 and Vaya knowingly created a scheme to sell termination at below market costs to their customers.

21. NCC proposes the following schedule:

Answer	31 days from service
Discovery	Closing 150 days after the Answer
Hearings	TBD
Proposed Decision	TBD

22. Complainant NCC is a corporation organized and existing under the laws of the State of California with its principal place of business in San Diego, California. NCC was authorized by the Commission to provide local exchange and interexchange services in California.

23. All pleadings, correspondence and other communications regarding this Complaint should be sent to NCC at the following address:

Todd Lesser, President  
North County Communications  
Corporation  
3802 Rosecrans #485  
San Diego, CA 92110  
Tel: 619.364.4750

Email: todd@nccom.com

24. Upon information and belief, Vaya and O1 were, at all times relevant to this Complaint, corporations organized and existing under the laws of the State of California and were, at all times relevant to this Complaint, authorized by the Commission to provide facilities-based and resold competitive local exchange and interexchange services in California.

25. Upon information and belief, the contact information for O1's and Vaya's regulatory contact is:

Brad Jenkins  
34145 Pacific Coast Highway  
Dana Point, CA 92629  
Tel: 949.220.2280  
Email: bjenkins@o1.com

### **III. REQUEST FOR RELIEF**

26. The Commission has authority to enforce the parties' ICA and its prior orders, and it should do so here.

27. Section 701 of the Public Utilities Code and the 1996 Act (see 47 U.S.C. § 252) provide the Commission with authority to supervise and regulate public utilities, including the authority to enforce ICAs approved by the Commission pursuant to the 1996 Act. NCC, Vaya, and O1 were all California public utilities subject to the Public Utilities Code, and this complaint seeks Commission enforcement of ICAs between the parties.

28. Section 702 of the Public Utilities Code mandates that "[e]very public utility shall obey and comply with every order, decision, direction, or rule made or prescribed by the commission." Further, "[t]he Commission has authority under Pub. Util. Code § 701 to fashion an appropriate remedy for a violation of Pub. Util. Code § 702." Cox California Telecom, LLC v. Global NAPs California, Inc., Decision No. 07-06-044, Opinion Suspending Registrant's

Certificate of Public Convenience and Necessity, 2007 WL 1879150 (Cal.P.U.C. June 21, 2007), mimeo, at 5 (Conclusion of Law 3). This includes, for example, the imposition of fines and the suspension of a carrier's license to do business in the State. See *id.* at 3-4.

29. In addition, “[e]very public utility, corporation, or person which fails to comply with any part of any order, decision, rule, regulation, direction, demand, or requirement of the commission . . . is in contempt of the commission, and is punishable by the commission for contempt in the same manner and to the same extent as contempt is punished by courts of record.” Pub. Util. Code § 2113. See also Cal. Const. Art. XII § 6 (“The commission may fix rates, establish rules, examine records, issue subpoenas, administer oaths, take testimony, punish for contempt, and prescribe a uniform system of accounts for all public utilities subject to its jurisdiction.”)

30. The Commission should find Vaya and O1 in violation of the parties’ ICA by delivering interLATA traffic over local interconnection trunks.

31. In addition, the Commission should find Vaya and O1 in violation of the Commission’s prior order in D.14-01-006.

32. Furthermore, the Commission should find that NCC is entitled to compensation from Vaya and O1 on a per-minute basis for each and every interLATA call delivered by Vaya and O1 to NCC.

WHEREFORE, for the reasons set forth above, NCC requests that the Commission enter an order:

- a. finding that Vaya and O1 have breached the parties’ ICA by delivering to NCC interLATA traffic over local interconnection trunks;
- b. finding that Vaya and O1 are in violation of Ordering Paragraph 3 of D.14-01-006 and Section 702 of the Public Utilities Code by delivering to NCC interLATA traffic over local interconnection trunks;

- c. finding that Vaya and O1 are jointly and severally liable for such violations under alter ego and/or single business enterprise liability;
- d. directing Vaya and O1 to compensate NCC on a per-minute basis for each and every interLATA call delivered by Vaya and O1 to NCC;
- e. finding that Vaya and O1 fraudulently conveyed assets to third parties;
- f. finding that Vaya and O1 unlawfully allowed their customer to spoof originating phone numbers;
- g. finding that Vaya and O1 deprived all carriers interconnected to AT&T's tandem of just and reasonable compensation;
- h. awarding costs and fees to NCC; and
- i. granting such other and further relief as the Commission may deem appropriate.

Dated: March 12, 2023

Respectfully submitted,

                    /s/                      
Todd Lesser

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